
REPORT

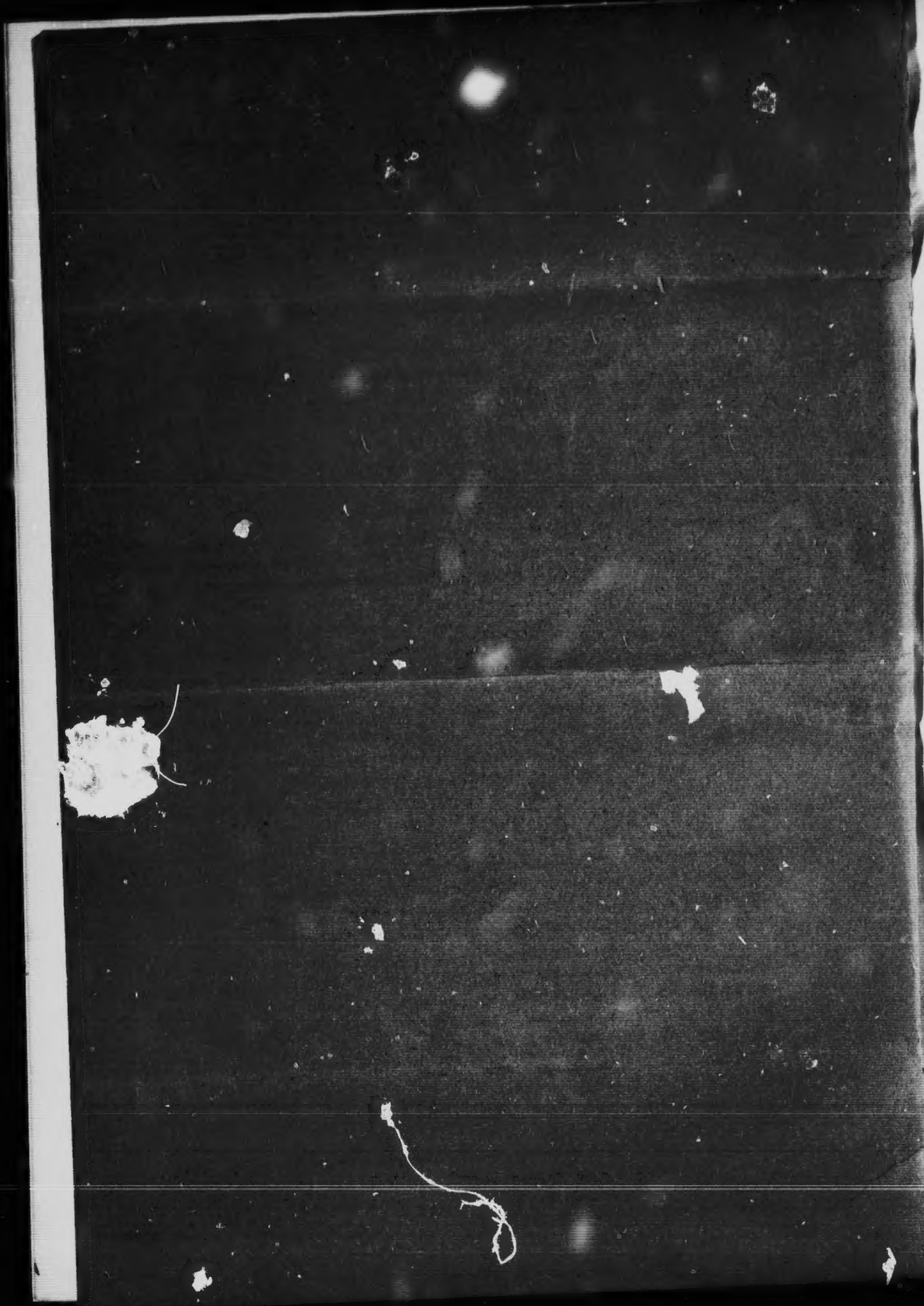
BY THE HON'BLE MR. A. McROBERT, DELEGATE TO THE FIFTH CONGRESS

- - OF - -

CHAMBERS OF COMMERCE OF THE EMPIRE,

HELD AT MONTREAL 17TH TO 21ST AUGUST 1903.

1904



Report by the Hon'ble Mr. A. McROBERT, Delegate to the Fifth Congress of Chambers of Commerce of the Empire held at Montreal, 17th to 21st August 1903.

To

THE PRESIDENT AND COMMITTEE

OF THE UPPER INDIA CHAMBER OF COMMERCE.

GENTLEMEN,

You were good enough to nominate me as one of the representatives delegated to attend in your behalf the Congress of Chambers of Commerce of the Empire, held at Montreal from 17th to 21st August last, and I have pleasure in forwarding this brief record of the proceedings in which I took part. My colleagues were Sir William E. Cooper and Sir Edward Buck, but the former was unfortunately not able to leave England to be present at the Congress meetings.

My wife and I left Cawnpore on 21st May and sailed from Bombay in the P. & O. s. s. *India* on 23rd. A few hours after sailing, the *India* ran into cyclonic weather and had to heave to for several hours. A wind velocity of up to 100 miles per hour was registered, and the barometer fell three-quarters of an inch in four hours, but the *India* was very skilfully handled and suffered no damage of any kind. We reached Aden on 28th, and transferred to the *Himalaya* which landed us at Marseilles on Saturday, 6th June; and we reached London the following day at 6 p. m.

We remained at home until 28th July; when we sailed from Liverpool for Boston in the Cunarder *Ivernia* (14,000 tons). There were among our fellow-passengers a number of Congress delegates, including Mr. Kenric Murray, the Secretary, and several prominent men from the London Chamber. During the voyage the smoking-room was frequently the scene of impromptu debates on the fiscal problem—usually initiated by certain aggressive Chamberlainites, delegates from Yorkshire Chambers. I succeeded in maintaining the rôle of an amused listener. After an otherwise uneventful and comfortable trip, the *Ivernia* reached Boston on 6th August. On landing, we had to pay tribute to the Protectionist proclivities of our American cousins, by enduring for some two hours the ordeal of perhaps the most obnoxious customs examination in the world. It was difficult to maintain a philosophic calm during the trial, but we were fortified by the knowledge that our declaration was honest and that we possessed nothing contraband, and we were treated no worse than others. To enter the States by land or sea is an agony long drawn out which lives in the memory as a cruel nightmare.

Until the 15th August we were chiefly occupied in visiting factories (boot and shoe, cotton, paper, woollen, rubber, etc.) in the New England States. We reached Montreal late on Saturday, 15th August, and could not therefore take part in the historic tramway ride. Next day there was a Special Congress Service in Christ Church Cathedral, which we attended.

On Monday, 17th, the Congress was opened at 10 a. m. and was continued (two sessions daily) until Friday, 21st. Some of the Resolutions carried the first day were not discussed very thoroughly, as many of the delegates appeared to hesitate to speak even on questions in which they were personally interested. But afterwards, when they had settled down to work, no Resolution was allowed to pass "by surprise" or without ample consideration. Several times what practically amounted to "closure" had to be applied, so that a decision might be arrived at within reasonable time.

The delegates were fêted daily in Montreal by Lord Brassey, Lord Strathcona, Montreal City Council, Montreal Board of Trade and by several prominent citizens connected with the Board of Trade—the name Board of Trade in Canada corresponding to Chamber of Commerce in India.

Among the important subjects dealt with may be mentioned—

The Defences of the Empire.—Resulting after an animated discussion among the Canadian delegates in the adoption by acclamation of the following Resolution:—

“That this Congress hereby affirms the principle that it is the duty of the self-governing Colonies to participate in the cost of the defence of the Empire, but the Colonies claim the privilege of keeping their own initiative as to the nature of the help which they agree to offer.”

Food Supply of Great Britain.—This was made the opportunity for a great display of patriotic sentiment, the burden of the Canadian argument being that the best way of assuring a constant and ample supply of food to the citizens of the United Kingdom would be to contrive measures for diverting to Canada the emigration that now flows to foreign countries.

Consular Service and Treaty Rights.—The defects and inefficiency of the existing system were very effectively shown up by Mr. Joseph Walton, M. P., and other speakers. The recent changes to our disadvantage in China and Persia were quoted in illustration, and glaring cases of neglect and indifference were produced from West Africa and the West Indies.

The Congress unanimously resolved:—

1. That His Majesty's Government should resolutely maintain and extend our Commercial Treaty rights.

2. That the Consular Service should be reorganised and strengthened on lines calculated to make it more effective for the promotion of the trade of the British Empire.

Imperial Postal rate on Newspapers and Periodicals.—It was resolved that it should be the aim of Imperial statesmanship to reach an arrangement which would make it possible for British publications to compete on even terms with foreign newspapers.

Fast Mail Service and Development of Trade between the Mother-Country and the Colonies.—This brought out advocates of the claims of numerous different routes. It was ultimately decided—

“That this Congress considers it of the utmost importance to the interests of the Empire that the United Kingdom and her Colonies should adopt a policy under which lines of steamships will be secured and retained for (1) the provision of fast mail services on the several routes; and (2) the development and control of trade between the Mother-Country and her possessions and between the Colonies themselves.”

The Metric System.—It was agreed that, in the interests of British trade and commerce, there was necessity for legislative measures being taken to make the use of metric weights and measures compulsory within the Empire.

Decimal System of Currency.—The Resolution adopted was—

“That this Congress favours the adoption throughout the Empire of the Decimal System of Currency, which already answers all commercial purposes.”

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Registration of Trade-Marks in India.—A Resolution advocating this was brought forward by the London Chamber of Commerce, supported by Sheffield and Dudley. Manchester opposed, apparently because it was thought it would be nearly impossible to carry out any such system with respect to cotton goods. As the mover of the Resolution referred to me by name and my views agreed with London, I interposed the following remarks:—

"I think I can, with great confidence, support the London Chamber in their proposal to introduce a system of registration of trade-marks in India. I have myself had frequent opportunities of witnessing the difficulties consequent on the absence of any plan or method of trade-mark registration. The only way the proprietor of a mark can prove his ownership under the existing law is apparently by showing that it has been in use unchallenged for a certain time. The absence of any machinery for registration exposes innocent people to trouble and loss. I have myself known of instances of Manchester goods being asked bearing a specially designed mark or 'chop' to distinguish them when established on the market, and when delivery was made in Calcutta it was pointed out that the labels were a colourable imitation of a forgotten or hardly known mark belonging to another importer. I consider it only right that the London Chamber should be supported in this proposition."

Commercial Relations between the Mother-Country, her Colonies and Dependencies.—It was under this heading that the fiscal question was discussed, and it overshadowed all other subjects. Indeed, it looked at one time as if it would absorb the whole time of the Congress, and all other questions were dwarfed in comparison.

There was a protracted debate on the fiscal problem, but the issue was never in doubt. The Canadians—nearly all of them capital debaters—are Protectionists to a man, and they made no secret of their design to take full advantage of the commanding position their numbers gave them in order to force through a Resolution committing the Congress to unblushing approval of the Chamberlain policy. The Free-Traders were in a hopeless minority, and all they could do was to endeavour to make the Resolution as little harmful as possible. The principal speakers who pleaded for moderation and caution were Sir W. G. Holland, M. P. (Manchester), and Mr. Joseph Walton, M. P. (Barnsley). I did not at first intend to take any part in the discussion, but when it became evident that India was likely to be almost entirely overlooked, I put my name down to speak, and had the good fortune to be called upon, although I did not succeed in catching the Speaker's eye until nearly the very end of the debate on 20th August. I may explain that, quite early in the discussion, a time-limit of 10 minutes had been adopted for each speaker, some of the delegates having shown a tendency to be prolix and discursive. As the period of the Congress was strictly limited, there was a danger of many important subjects being crowded out or only imperfectly considered without the application of some such salutary rule. There had been some show of opposition for the end, but doubtless, because of the novelty of an appeal on behalf of India. I was favoured with a most attentive hearing, and numbers of the delegates afterwards they had little idea before of the magnitude of India's economic interests.

The following is a reproduction of what I said at the Congress on the question:—

"My friends, Gentlemen,—I cannot spare any of my precious ten minutes in order to say polite things, and in flowers of speech appeal to the feelings of my countrymen in this assembly, but I will merely observe that India did her

duty to the Empire, like all of you, during the dark days in South Africa, and that, whatever our views on fiscal policy, we have all the same object in view, the prosperity and aggrandisement of the glorious British Empire.

I feel that I have a good excuse for taking part in this discussion. My Chamber is the commercial mouth-piece of a large and important tract of the Indian Empire with twelve times the population of Canada. I have travelled twelve thousand miles to attend these meetings. My Chamber draws its members from a territory having a population of 70,000,000. I am here to represent the commercial interests of a population of citizens of the British Empire nearly twice as large as the combined total of Great Britain and the self-governing Colonies, and larger than the total population of your neighbours to the south—the United States of America.

The terms of the amendment now proposed are plainly and intelligently designed with the view of endeavouring to reconcile conflicting interests—the interests of frankly Protectionist countries like Canada and New Zealand, with those of free-Trade countries like Britain and India. The underlying idea appears to be to establish between the various constituent parts of our great Empire trade relations similar to those that have subsisted for generations between India and the Mother-Country. It must be taken for granted that the Mother-Country has always desired to buy as much as possible of what India has to sell, and that India has honestly wished to confine her purchases to England. Now, what has been the result? The foreign trade of India amounts to nearly \$700,000,000 yearly, made up of imports \$270,000,000, exports over \$400,000,000. Of India's total exports the Mother-Country takes 25 per cent., the Colonies 20 per cent., and the proportion finding its way to foreign countries is 55 per cent. Looking at the imports in the same way, we shall find that the Mother-Country supplied 66 per cent. (two-thirds), the Colonies 10 per cent., and foreign countries only 24 per cent. Now these figures, if they prove anything at all, prove that India has been consistently loyal to the Mother-Country, but they do not prove that the loyalty has been reciprocal. They seem to me to show that the Mother-Country, as a shopkeeper, is not swayed by sentimental considerations, but that she buys where it suits her pocket, which is the most sensitive part of a man's anatomy, as was very effectively said by the eloquent mover of the Resolution, who kept us spell-bound by his impassioned address. There is an old saying that the leopard does not change his spots. If we expected such a miracle, we would be irresistibly reminded of the old lady who thought to keep back the tide with a broom. Gentlemen, whatever Resolutions you may pass, or whatever the result of the "Inquiry" now in progress, trade will continue to flow in the channels determined for it by economic conditions.

In India, even more than in Canada, a large proportion of the population are dependent on agriculture, and in that great Empire, with its 300,000,000 inhabitants, the margin of reserve resources at the command of the cultivator is so small that, when the annual rains fail over any considerable tract, dire distress and famine are inevitable. And, gentlemen, how many of you fully and clearly realise what famine in India means? In that country, the normal standard of comfort of many millions of the inhabitants is such that they have to be content with one meal a day. Can you picture to yourselves the condition when the wherewithal for that one meal is non-existent? If we were obliged to forego one of our three or four meals a day,

the hardship would be very slight, for most of us could very well omit luncheon without suffering inconvenience. It is of vital importance, therefore, if only in the interests of humanity, that the development of the infant industries and manufactures of India should be encouraged in every possible way, in order that the country may be at the mercy of seasonal vicissitudes in a lesser degree than at present. Only the rural districts are subject to the visitation of famine. Famine never appears in the manufacturing centres like Bombay, Calcutta and Cawnpore. India, as well as Canada and the other self-governing Colonies, aim at being self-contained. Of manufactured goods they buy only what they cannot produce themselves. Canada and the other self-governing Colonies are increasing their manufactures and industries with the aid of bounties and protective tariffs. India is doing the same without the aid of protection. Indeed, I may go further and say that India, in her efforts towards industrial expansion, is liable to penalties for her enterprise. Let me instance the case of the excise duty on cotton goods. Only a very few years ago India, which for many years up to that time had been an absolutely Free-Trade country, in her need, was driven to impose a 5 per cent. duty on nearly all imports, except raw materials and machinery, for purely revenue purposes. There was no suggestion of Protection. Yet, in spite of the objections of the then Viceroy and his Council, the Secretary of State for India issued a mandate from London, requiring the imposition of a countervailing excise duty on cloths produced in Indian cotton mills. It is generally understood that this action was taken at the instigation of Lancashire, and that the demand was acceded to not because it was thought to be fair, just and reasonable, but from political motives. Had India possessed the power of self-government in the smallest degree, such an incident would have been impossible. I venture to believe that it would also have been impossible, had the present able and fearless Viceroy, Lord Curzon, been in power. Imagine, if you can, Canada or Australia or Dick Seddon being dictated to at the bidding of party wire-pullers in England. Last year, when as a desperate measure a corn-tax was levied in England, no one appears to have suggested that wheat from India should be free, nor that the home farmer should pay a countervailing excise, just to put him on an equality with his Indian brother. In this matter, I understand Egypt is very much in the same case as India.

In discussing this question, one cannot help repeating old and well-worn arguments. The conditions obtaining in a country able to export only the products of the soil, and striving to become a manufacturing community, make it very difficult for that country to arrange with a purely manufacturing country, like the Mother-Land, a tariff that shall be mutually satisfactory. For tariff purposes they are mutually antagonistic. I have always believed that, in the end, the consumer invariably pays the tax, whatever it may be, but if it is the producer that pays, he will get so much less for his produce, and in the case of corn, Canada will be the sufferer.

I will now mention a way in which India might be helped by a preferential tariff. Take the case of indigo, of the production of which by cultivation India has a practical monopoly. Unfortunately for the indigo-planter, processes have recently been perfected by which indigo is made synthetically on a large scale, and by reason of the fierce competition of the artificial article, the industry in India is considered by many to be in the throes of death. Would the vociferous and earnest, if misguided, men from Birstall, who no doubt use indigo in their dye-houses, be willing that synthetic indigo should be subjected to a customs duty when imported into England or to an excise duty if made in England, so that the Indian industry might be resuscitated? I know not. Mr. Hirst spoke of silent

mills in Yorkshire, and ascribed the cause to competition from Holland and Germany; but I do not gather that Mr. Hirst has himself been driven out of business. I understand that, as we would naturally expect from a man of his vigour and energy, he is proprietor of a prosperous and flourishing factory. We must look elsewhere than to the competition of Holland and Germany for the causes of the silence of the mills referred to by Mr. Hirst. I also am a woollen manufacturer, contending daily with the competition of Holland and other foreign countries, and I should like to convince Mr. Hirst that they can all be beaten without invoking the aid of preferential tariffs or protection, which is an instrument that would cut both ways.

I would further point out the danger of irritating foreign countries by imposing any form of tariff discriminating against them. For foreign countries are India's best customers. It is not England that takes India's cotton, but Japan and the Continent of Europe, and India's oil-seeds go to the Continent rather than to England. There are many other difficulties to which I might refer, but I must refrain, when I remember that authorities like Mr. Helm, with an unrivalled opportunity of knowing the true bearing of this complex question, are by the rules of this Congress limited to ten minutes for the explanation of their views.

Sir William Holland has been requested to explain the meaning of the words he proposes to introduce. The words seem to me quite free from ambiguity, and if they are left out, I should like to ask those who object to their introduction, the real meaning they wish to attach to the words left in—for they must surely have a hidden meaning—and I cannot conclude that "injury to any" part of the Empire is contemplated.

As between the Resolution and the Amendment, I have no difficulty in choosing. The amendment may possibly be a counsel of perfection, but if measures can be devised that shall avoid injury to India, I am sure my Chamber will be satisfied, and in the words of good old George Herbert—

'Who aimeth at the sky, shoots higher much than he that means a tree.' "

The compromise Resolution, ultimately adopted unanimously by the Congress on the suggestion of Lord Strathcona, reads as follows, the words which Sir W. H. Holland's amendment unsuccessfully sought to introduce being shown in brackets:—

"It is resolved that, in the opinion of this Congress, the bonds of the British Empire would be materially strengthened, and a union of the various parts of His Majesty's Dominions greatly consolidated by the adoption of a commercial policy based upon the principle of mutual benefit, whereby each component part of the Empire would receive a substantial advantage in trade as the result of its national relationship, due consideration being given to the fiscal and industrial needs of the component parts of the Empire (with the view of avoiding injury to any).

"That this Congress urges upon His Majesty's Government the appointment by them of a special commission composed of representatives of Great Britain and her Colonies and India to consider the possibility of thus increasing and strengthening the trade relations between the different parts of the Empire and the trading facilities within the Empire and with foreign countries."

In the course of this discussion Sir Edward Buck made a very interesting statement. He pointed out that any arrangement which would result in stimulating the export of food-grains from India would greatly benefit that country, since it would have the effect of creating what would practically be a reserve

to be drawn upon during times of scarcity. In a recent letter to the *Times*, he has further amplified and explained his views on this aspect of the question.

Immediately after the fiscal debate, and during lunch with Sir Edward Buck in the Windsor Hotel, where we were both staying, Mr. Murray, the Congress Secretary, asked me to speak for India in reply to the toast of The Empire at the banquet given to the delegates the same evening by the Montreal Board of Trade. I could not very well refuse the invitation, which I regarded as a high compliment paid to our Chamber. The toast was proposed by the Canadian Premier, Sir Wilfred Laurier, in an eloquent speech. After Sir W. H. Holland had responded for the Mother-Country, I was called upon, and spoke in the following terms:—

"I desire to associate myself with what Sir William Holland has said so gracefully. I feel very unequal to undertake to deal at all adequately with this toast. The position I have the honour to occupy to-night inspires me with awe all the more profound because I have to follow men so eloquent and distinguished. I am relieved to think that at this late hour you would not tolerate more than a few words from me. I should like, however, to direct your attention for a moment to the way in which India contributes to the maintenance of Britain's position as a world Power. India, with her population of 300,000,000, all of whom will have to be specially considered in any scheme or system of preferential tariffs, is really the predominant partner in this great British Empire on which the sun never sets, and which is laved by the waters of every ocean. Many of you will doubtless recollect that in the *Times*, a few months back, there appeared a remarkable series of articles under the heading "The Strategic Front." The centre of that front was shown to be India flanked by South Africa and China. The correctness of this view was very strikingly illustrated at the beginning of hostilities in South Africa, when the timely despatch of troops and supplies from India saved the situation in Natal. They were troops from India that won Dundee and garrisoned Ladysmith and kept the Flag flying there. India is always ready for contingencies and emergencies.

The fact that an assembly like this is possible is ample security that Britain's supremacy as a commercial Power will not be allowed to grow dim. The Old Country and the Colonies will see to it that the naval supremacy of the Empire is maintained. And India, with her army of 250,000 men, recruited from fighting races like Sikhs, Gurkhas, Pathans, Beluchis, always ready for field service in any part of the world, may be depended upon to keep the Empire to the front among the nations in the matter of military power.

The great Delhi Durbar, the creation of the genius of the Viceroy, Lord Curzon, who is entitled to unstinted praise for the way in which that unexampled undertaking was designed and carried out, in which some of you may have had the privilege of participating last January, proved the loyalty and solidarity of India. There, for the first time since the world began, were gathered together in peace and amity every chief and ruler in India to do homage to our King, the first Emperor of united India. It was a moving spectacle.

If this Congress has been the means of awakening in any of you, and quickening in others, an interest in the problems and needs of India, it will have done a service to the cause of an Empire fraught with the most beneficent consequences. Three hundred years ago, when the Red man roamed undisturbed in this great land, India was in possession of a civilization already ancient. The great and

enlightened Akbar was then the ruler of Delhi. Next to London, India possesses in Calcutta and Bombay [the two largest cities of the Empire—a position wrongly claimed for Glasgow by one of our Congress speakers. A trip to India is now very easy, and I trust many of you will here and now resolve to see the country for yourselves. Come in November and depart in March, like Paget, M. P., but do not, like that great authority, imagine because you have enjoyed in India four or five months of the finest climate in the world, that we have no hot weather and are never uncomfortable by reason of the climate.

Gentlemen, I thank you heartily for the magnificent hospitality of Montreal and Canada, and for allowing me to respond to this toast, and for listening so patiently."

The whole spirit of the Congress was intensely loyal and patriotic, and very pleasant relations were quickly established between the Canadian delegates on the one hand and those from over the seas on the other. I shall always count it a privilege to have been a member of the Fifth Congress of Chambers of Commerce of the Empire, and I am grateful to the Committee of the Chamber for having been good enough to appoint me as a delegate. I do not grudge having had to travel half round the world to be present at the meetings; and I trust nothing has been done to detract from or impair the reputation of the Upper India Chamber of Commerce as an influential commercial body.

Although the meetings of the Congress came to an end on 21st August, the delegates were not expected to disperse then. The Canadian Committee of Arrangements, with the cordial co-operation of the Canadian Railways and the Canadian Government, had organised an elaborate series of tours extending over six weeks, and I regretted very much that our plans previously made permitted me to participate in these tours to only a limited extent. We travelled throughout in great comfort, Pullman cars having been provided free for the whole party. On 22nd August we made a trip to Ottawa, where we were received with much hospitality, and shown over lumber, pulp and paper mills under the personal guidance of members of the Ottawa Board of Trade. We returned to Montreal on 23rd August, and the following day started on the long trip to the Pacific Coast. *En route* we stopped at Kingston, Toronto, Hamilton, Niagara, London (Ont.) and Detroit. On 26th August we left the Congress party at Detroit and travelled independently to Winnipeg via Chicago, Milwaukee, St. Paul and Minneapolis. The Congress party returned from Detroit to Toronto and then took the Canadian-Pacific route to Winnipeg, where we rejoined them on 1st September.

Winnipeg, the capital of the North-West, is a go-ahead ambitious town, with fine wide streets and a rapidly-increasing population. On 2nd September we were at Brandon (population 6,000) on the Assiniboine, the head-quarters of an extensive and well-settled country. Here at the Dominion Experimental Farm we saw being harvested a magnificent crop of oats. The manager told me that oats had been grown continuously on the same field for the past 20 years without the application of any fertilizer, and that the average yield had been 96 bushels per acre. He further explained that, in accordance with the general practice, the land had been allowed to rest or lie fallow every third or fourth year. The party were entertained with old-world courtesy by the ladies of Brandon, who created an almost embarrassing situation by actually attending to the table themselves at the banquet. On 3rd September we passed through Moose Jaw, an important railway point, and Medicine Hat, the centre of a magnificent ranching district.

themselves seemed to have little faith in the future of their own country. They appeared to look forward without emotion to the time when they would be inevitably absorbed by the United States. When in Quebec, Montreal, Toronto or London, one spoke of taking Horace Greeley's advice and going West, the reception was generally discouraging. What is the use of going West? There is not sun enough there to ripen anything. The winter in the great North-West was believed to be as severe as it is in the Maritime Provinces. Now there is not a Canadian that does not scoff at the idea of the Dominion ever joining the United States, and the prevailing boast is that the great North-West is the granary of the world. The claim is literally true. The average yield of wheat during the past four years has been over 25 bushels per acre per annum, and there are 25,000,000 acres of land in Manitoba alone pre-eminently suitable for wheat growing. Drought is not a contingency with which the farmer has to reckon, for the rainfall is regular and ample, and the country well watered. Without a doubt, Canada is booming. The tide of emigration is flowing in a strong stream, not only from Europe, but also from the Western States. During the past two years, tens of thousands of American farmers have crossed the line and taken up land in the fertile regions of the Canadian North-West, where it is calculated that, given fair luck, a wheat farm of 400 to 500 acres will pay for itself and all working expenses in three seasons.

Canada is also a land of grand old men. Nowhere else could be matched Lord Stratheona (the Canadian idol), the Hon. R. W. Scott (Secretary of State, and the author of the famous Scott Liquor Law), and Sir Sanford Fleming (the life-long advocate of an all-British cable system)

CANBURN,
8th February 1901.

A. McROBERT.

